

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND MANAGEMENT
BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, et al.,

Debtors.¹

PROMESA
Title III

No. 17 BK 3283-LTS

(Jointly Administered)

**AMBAC ASSURANCE CORPORATION’S URGENT MOTION FOR BRIEFING
SCHEDULE WITH RESPECT TO THE OBJECTION OF AMBAC ASSURANCE
CORPORATION, PURSUANT TO BANKRUPTCY CODE SECTION 502 AND
BANKRUPTCY RULE 3007, TO CLAIM ASSERTED BY THE OFFICIAL
COMMITTEE OF RETIRED EMPLOYEES OF THE COMMONWEALTH OF
PUERTO RICO APPOINTED IN THE COMMONWEALTH’S TITLE III CASE**

To the Honorable United States District Judge Laura Taylor Swain:

Ambac Assurance Corporation (“Ambac”), by and through its undersigned counsel, respectfully submits this urgent motion for entry of an order, substantially in the form attached hereto as **Exhibit A** (the “Proposed Order”), setting an alternative briefing schedule and hearing on the *Objection of Ambac Assurance Corporation, Pursuant to Bankruptcy Code Section 502 and Bankruptcy Rule 3007, to Claim Asserted by the Official Committee of Retired Employees*

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (the “Commonwealth”) (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority (“PBA”) (Bankruptcy Case No. 19-BK-5523-LTS) (Last Four Digits of Federal Tax ID: 3801).

of the Commonwealth of Puerto Rico Appointed in the Commonwealth's Title III Case [ECF No. 16884] (the "Claim Objection"). Ambac submits this urgent motion in compliance with the *Order Regarding Objection of Ambac Assurance Corporation Pursuant to Bankruptcy Code Section 502 and Bankruptcy Rule 3007, to Claim Asserted by the Official Committee of Retired Employees of the Commonwealth of Puerto Rico Appointed in the Commonwealth's Title III Case* [ECF No. 16913²] (the "Order").

In support, Ambac respectfully states as follows:

1. On June 3, 2021, Ambac filed the Claim Objection in the Commonwealth's Title III proceeding, Case No. 17 BK 3283-LTS.
2. On June 9, 2021, the Court ordered Ambac "to file an informative motion . . . [by June 23, 2021] stating when Ambac intends to either (i) provide notice of the Claim Objection in connection with an Omnibus Hearing, or (ii) request approval of an alternative briefing schedule . . . unless Ambac notices the Claim Objection or seeks approval of an alternative briefing schedule [before then]." (Order, ECF No. 16913 at 2.)
3. By this urgent motion, Ambac requests an order, substantially in the form attached hereto as **Exhibit A**, setting a schedule with respect to the Claim Objection, as follows:
 - a) **July 6, 2021**: Deadline for responses to the Claim Objection.
 - b) **July 20, 2021**: Deadline for replies in further support of the Claim Objection.
 - c) **August 4 and/or 5, 2021 (August Omnibus Hearing)**: Hearing on the Claim Objection.

² "ECF No." refers to documents filed in Case No. 17-BK-3283-LTS, unless otherwise noted.

4. In accordance with Paragraph I.H of the *Order Further Amending Case Management Procedures* [ECF No. 15894] (the “Amended Case Management Order”), on June 10, 2021, Ambac informed counsel for the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”), the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”), and the Official Committee of Retired Employees of the Commonwealth of Puerto Rico (the “Retiree Committee”) of Ambac’s intent to request approval of the alternative briefing schedule set forth above.

5. Ambac has not received a response from the Oversight Board, AAFAF, or the Retiree Committee.

6. Pursuant to Paragraph I.H of the Amended Case Management Order, the undersigned counsel hereby certify that they have (a) carefully examined the matter and concluded that there is a true need for an urgent decision; (b) not created the urgency through any lack of due diligence; and (c) made reasonable, good-faith communications in an effort to resolve or narrow the issues before the Court.

WHEREFORE, Ambac respectfully requests that the Court enter an order, substantially in the form attached hereto as **Exhibit A**, granting the relief requested herein and granting any such other relief as the Court deems just and proper.

Dated: June 11, 2021
San Juan, Puerto Rico

FERRAIUOLI LLC

By: /s/ Roberto Cámara-Fuertes
Roberto Cámara-Fuertes (USDC-PR No. 219002)
Sonia Colón (USDC-PR No. 213809)
221 Ponce de León Avenue, 5th Floor
San Juan, PR 00917
Telephone: (787) 766-7000
Facsimile: (787) 766-7001
Email: rcamara@ferraiuoli.com
scolon@ferraiuoli.com

MILBANK LLP

By: /s/ Atara Miller
Dennis F. Dunne (admitted *pro hac vice*)
Atara Miller (admitted *pro hac vice*)
Grant R. Mainland (admitted *pro hac vice*)
John J. Hughes, III (admitted *pro hac vice*)
Jonathan Ohring (admitted *pro hac vice*)
55 Hudson Yards
New York, NY 10001
Telephone: (212) 530-5000
Facsimile: (212) 530-5219
Email: ddunne@milbank.com
amiller@milbank.com
gmainland@milbank.com
jhughes2@milbank.com
johring@milbank.com

Attorneys for Ambac Assurance Corporation

CERTIFICATE OF SERVICE

I hereby certify that on this same date a true and exact copy of this notice was filed with the Clerk of Court using the CM/ECF system, which will notify a copy to counsel of record.

/s/ Roberto Cámara-Fuertes

Roberto Cámara-Fuertes (USDC-PR No. 219002)

221 Ponce de León Avenue, 5th Floor

San Juan, PR 00917

Telephone: (787) 766-7000

Facsimile: (787) 766-7001

Email: rcamara@ferraiuoli.com